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AGRICULTURE, NUTRITION,
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VETERANS' AFFAIRS
HEALTH, EDUCATION, LABOR,
AND PENSIONS
JOINT ECONOMIC COMMITTEE

October 8, 2020

The Honorable William P. Barr
Attorney General
U.S. Department of Justice
950 Pennsylvania Ave, NW
Washington, DC 20530

The Honorable John Ratcliffe
Director of National Intelligence
Office of the Director of National Intelligence
Washington, DC 20511

The Honorable Charles P. Rettig
Commissioner
U.S. Internal Revenue Service
111 Constitution Ave, NW
Washington, DC 20224

Dear Messrs. Barr, Ratcliffe, and Rettig:

I write today to request an investigation be opened into the use of American nonprofit organizations by the People's Republic of China (PRC) and the Chinese Communist Party (CCP) for the purpose of interfering with, or otherwise influencing, United States elections and policies. The Chinese government has sought to undermine America's interests for decades and recent reports indicate it is seeking to use its influence to interfere in our elections. With the November elections just 26 days away, we must ensure no foreign nation is able to circumvent or abuse the laws and rules of our great country to attack or undermine our free and fair elections.

The threat posed by the Chinese government has never been clearer. When asked who the biggest threat to U.S. elections was, Attorney General Barr has stated, "In my opinion, its China...Not just to the election process, but, I think, across the board."¹ U.S. Director of National Intelligence Ratcliffe has stated that "China poses a greater national security threat to the U.S.

¹ Interview of Attorney General William Barr, The Ingraham Angle, Fox News, Apr. 8, 2020, available at <https://www.youtube.com/watch?v=h51A-WI4Cyk>.

than any other nation...that includes threats of election influence and interference.”² Assessments by other U.S. intelligence officials have publicly acknowledged that the Chinese government is expanding its efforts ahead of the November elections.³ These efforts include attempts to “shape the policy environment in the United States, pressure political figures it views as opposed to China’s interests, and deflect and counter criticism of China.”⁴

Although publicly available assessments of the Chinese government efforts do not elaborate on how they are carrying out these efforts, it is clear the Chinese government has experience using nongovernmental entities to execute their policy goals. A recent article discussing the China Red Cross noted that it, and other government-organized nongovernmental organizations in China, is deeply tied to the PRC and CCP and serve the party’s foreign policy interests.⁵ The Chinese government is alleged to have conducted malign influence campaigns in several democratic countries such as Australia and in Europe. A May 2019 *New York Times* article notes that “in Europe, Chinese companies and organizations tied to the Chinese Communist Party have held events for political leaders and donated millions of dollars to universities.”⁶ The same article details how the Chinese government secretly lobbied politicians through the use of proxies such as businesses and academics.⁷

In the U.S., laws such as the Foreign Agent Registration Act (FARA) and campaign finance restrictions on foreign donations are designed to ensure transparency and prevent foreign influence in our political processes. Because nonprofit organizations receive donations from foreign individuals and entities, however, they represent a potential loophole for through which the Chinese government could influence American policies and elections.

The U.S. government must ensure no foreign adversary has the ability to influence or interfere with our free and fair elections, or unduly influence American policy, especially when the actions of such government pose a serious threat to our national security. Therefore, I ask that you take the following actions:

1. The Internal Revenue Service (IRS) should immediately conduct a review of all 501(c)(3) and 501(c)(4) filings to determine which, if any, have received donations from any Chinese national, Chinese-owned corporation, or any entity or individual with substantial connections to the government of the People’s Republic of China or the Chinese Communist Party;

² Jerry Dunleavy, John Ratcliffe: Unmatched ‘National Security Threat’ Posed by China Includes Election Interference, *Washington Examiner*, Aug. 25, 2020, available at <https://www.washingtonexaminer.com/news/john-ratcliffe-unmatched-national-security-threat-posed-by-china-includes-election-interference>.

³ Statement by NCSC Director William Evanina: Election Threat Update for the American People, Aug. 7, 2020, available at <https://www.dni.gov/index.php/newsroom/press-releases/item/2139-statement-by-ncsc-director-william-evanina-election-threat-update-for-the-american-public>.

⁴ *Id.*

⁵ Eduardo Baptista, Don’t Be Fooled by China Red Cross, *The Diplomat*, Apr. 8, 2020, available at <https://thediplomat.com/2020/04/dont-be-fooled-by-china-red-cross/>.

⁶ Damien Cave, Australia’s China Challenge, *New York Times*, May 20, 2019, available at <https://www.nytimes.com/2019/05/20/world/australia/australia-china.html>.

⁷ *Id.*

2. Any entity determined to have received funds from one of the sources identified above should have its activity reviewed to determine if it engaged in any lobbying or political activity;
3. A list of any entity determined to have both received Chinese funds and engaged in lobbying or political activity should be provided to the Department of Justice for review for any potential violation of FARA or any campaign finance laws; and
4. The Department of Justice and all appropriate intelligence agencies should coordinate efforts to identify and prevent Chinese entities' efforts to influence elections through 501(c) organizations.

Thank you for your efforts on behalf of our nation. We are grateful for your vigilance.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kelly Loeffler', with a long horizontal flourish extending to the right.

Kelly Loeffler
United States Senator